



October 15, 2021

House Speaker Mariano  
24 Beacon Street  
Room 343  
Boston, MA 02133

**RE: Strategic Use of American Rescue Plan Act Funding**

Dear House Speaker Mariano,

On behalf of our 130 member businesses and institutions, thank you for your vision and leadership in ongoing COVID-19 response and recovery in Massachusetts. A Better City appreciates the legislature's commitment to advancing our Commonwealth's climate, clean energy, and transportation priorities, while also responding to our communities' pressing needs from parallel public health and economic crises.

As the House considers spending priorities for the once-in-a-generation American Rescue Plan Act (ARPA) funding in Massachusetts, we support many of the Baker Administration's proposals for climate resilient infrastructure, water and sewer infrastructure, marine port infrastructure, and parks, recreation, and open spaces. However, we also recommend including and prioritizing initiatives to address needs related to:

- 1) Climate mitigation, resilience, and district energy solutions;
- 2) Transportation infrastructure and public transit; and
- 3) New incentives for the future of work.

These one-time ARPA funds should be applied to capital investments that deliver long-term climate and mobility benefits for our regional economy and for our most vulnerable communities. Especially as the legislature considers strategies to support our region's economic recovery and to shape the future of work in Massachusetts, strategic investments must be made help to catalyze equitable, sustainable growth and community resilience.

A Better City respectfully urges you to consider the following priorities for strategic ARPA funding appropriations:

- **Climate Mitigation, Resilience, and District Energy Solutions:** A Better City recommends prioritizing the following climate mitigation, resilience, and clean energy priorities: prioritizing deep energy retrofits in large existing buildings; expanding electric grid and building electricity capacity, with particular consideration for addressing interconnection challenges for renewable energy; establishing a statewide financing program or climate infrastructure bank; investing in



digital infrastructure for state-level emissions and energy use tracking in large existing buildings; investing in a pilot for a GeoMicroDistrict/“GeoGrid” in multi-use urban environments, and; coordinating resilient critical infrastructure projects at a regional scale.

- **Funding Transportation Infrastructure and Investing in Public Transit:** A Better City recommends prioritizing targeted transportation infrastructure investments that improve safety, fix roads & bridges, and address a maintenance backlog at the MBTA. This effort would not only deliver an immediate boost to our economy but also bring productivity gains to the region after work is completed. A Better City recommends the legislature invest in public transit and promotional fare options; support additional funding for the Chapter 90 Municipal Road and Bridge Program, and; modernize procurement laws to effectively prepare for the anticipated federal infrastructure bill, while maximizing the impact of the Commonwealth’s federally funded projects.
- **New Incentives for the Future of Work:** As the Commonwealth addresses return to workplace commuting trends and embarks on a hybrid work model across many sectors, A Better City recommends emphasizing key transportation demand management strategies in ARPA spending through: broadband connectivity to enable long-term remote work capabilities; expanded bike share incentive programs, and; coordination of ARPA investments across municipalities to promote safe, accessible commuting corridors that also double as climate resilient green infrastructure projects, like the Emerald Network.

As the Commonwealth begins its post-pandemic economic recovery, uncertainty about the future of work trends and the fate of additional federal funding opportunities cannot delay needed investment of ARPA funds in Massachusetts. This once-in-a-generation influx of funding could not come at a more pivotal moment to help achieve our climate and clean energy goals, to pursue strategic transportation demand management as workers return to the workplace, and to address key funding gaps in our transportation infrastructure and public transit service. The legislature must take bold action now to achieve our climate goals and to create the clean economy of the future.

Thank you again for your leadership and for your time and consideration.

Sincerely,

Richard A. Dimino  
President & CEO  
A Better City

Enclosures (3)

cc: Chair Michlewitz, Secretary Theoharides, Secretary Tesler, and Undersecretary Chang



## **Recommendation 1: Invest in Climate Mitigation, Resilient Infrastructure, and District Energy Solutions**

**Summary Comments & Recommendations:** While Governor Baker’s proposal for \$900M of ARPA funds to go toward climate resilient infrastructure, water and sewer infrastructure, marine port infrastructure, and parks, recreation, and open spaces includes important state-level priorities for Massachusetts, A Better City recommends expanding ARPA appropriations to consider climate solutions that address mitigation and resilience, as well as district energy solutions. The following sections explore opportunities to advance deep energy retrofits in large existing buildings, expand electric grid and building electricity capacity, establish a statewide financing program or climate bank, invest in digital infrastructure for tracking statewide emissions and energy usage in large existing buildings, fund pilot projects for a GeoGrid in dense, multi-use areas, and coordinate critical infrastructure projects at a regional scale.

- **Prioritize Deep Energy Retrofits:** Significantly more research is needed to test and develop deep energy retrofits for commercial buildings in our climate zone. A Better City has worked with members and partner organizations over the last two years to encourage the piloting of deep energy retrofits in different existing building typologies, with limited success. Although the Baker Administration’s 2050 Decarbonization Roadmap reports from December 2020 state that about 40% of HVAC equipment is expected to retire in commercial buildings in the next decade and that for many of these buildings, heat pump systems will be the least-cost decarbonization option, our members have reported that without pursuing deep energy retrofits first, a heat pump system would significantly increase energy costs. Our members are also concerned that these costs will escalate with increased ventilation requirements post-pandemic. In order to address a key knowledge gap and financial barrier in decarbonizing our existing large buildings, A Better City recommends dedicating a portion of ARPA funding to deep energy retrofit demonstration projects in large existing building typologies, with particular emphasis on commercial, large residential, and industrial buildings in our climate zone. Demonstration projects or case studies would be transformative in scaling up deep energy retrofits and achieving statutory climate commitments.
- **Expand Electric Grid and Building Electricity Capacity:** The electric grid and building electricity capacity will both need to be expanded substantially to compensate for the anticipated increase in electricity demand from electrified buildings, as well as other soon-to-be electrified sectors of the economy, like transportation. As mentioned above, retrofits are essential to limiting this increase in energy demand within buildings, but even with retrofits, most buildings will require significant electricity capacity upgrades. To enable these upgrades, A Better City recommends that the legislature prioritize the expansion and modernization of generation, transmission, and distribution infrastructure systems, with a particular emphasis on removing barriers for the interconnection of renewable energy.
- **Establish a Statewide Financing Program or Climate Bank:** Additional funding and financing models are needed to scale up building sector decarbonization and to meet our newly established statutory climate commitments. A Better City encourages the legislature to establish a comprehensive funding and financing strategy to support deep energy retrofits (including



pilots of deep energy retrofits within commercial building typologies that do not currently exist, as mentioned above), equitable workforce development that specifically targets building automation systems, renewable energy generation and accessibility, clean heating, cooling, and ventilation, resilient infrastructure projects, and projects that advance both GHG reduction and climate adaptation. A statewide financing program or climate bank could help to catalyze public-private partnerships, to prioritize regional funding opportunities across municipalities, and to enable long-term financing opportunities that work across capital budget cycles.

- **Invest in Digital Infrastructure for Large Building Emissions and Energy Usage Reporting:** Our building sector is the largest source of greenhouse gas emissions in the City of Boston and the second largest source of statewide greenhouse gas emissions, so decarbonizing this sector will be essential to achieving our climate goals in Massachusetts. While the City of Boston has made considerable strides in tracking and disclosing energy use and, with BERDO 2.0, requiring greenhouse gas emissions reductions in large existing buildings, the Commonwealth currently does not have sufficient digital infrastructure available to support a statewide building energy and emissions reporting database. As we anticipate sector-specific emissions sublimits to be established by Secretary Theoharides in 2022 as per the implementation of climate bill S.9, Massachusetts must invest in statewide digital infrastructure to help the Department of Energy Resources and other agencies track sector-specific energy use and emissions reductions over time. Additionally, with bills before the legislature like Representative Robinson and Senator Rauch’s Better Buildings Act (HB3366/SB2232) that seeks to replicate large existing building energy use reporting and disclosure at the state-level, as was established with BERDO in Boston in 2013, the creation of a statewide database will be essential in ensuring effective bill implementation.
- **Fund Pilot Projects for a GeoGrid in Dense, Multi-Use Areas:** In order to help explore opportunities around decarbonizing our heating and cooling sector, A Better City recommends investing a portion of ARPA funding into establishing a pilot for networked geothermal energy, otherwise known as a “GeoGrid” or “GeoMicroDistrict.” This innovative district energy solution would allow multi-use areas to exchange excess heating and cooling within their networked geothermal system. If a GeoGrid pilot were to be launched in a dense, multi-use area like Chinatown or the Financial District, for example, then a GeoGrid could help address decarbonized heating and cooling needs for multiple types of users in the city. While there has been initial interest for GeoGrids in the legislature and in discussions around climate bill S.9 implementation, pilots in multi-use urban areas, pursued in coordination with utilities, would help to scale up this needed technology.
- **Coordinate Critical Infrastructure Projects at a Regional Scale:** Although the Baker Administration’s ARPA proposal is intended to support existing programs and resilient infrastructure needs within municipalities as part of the Municipal Vulnerability Preparedness program (MVP), much of our critical infrastructure crosses jurisdictional boundaries and will require regional coordination. When possible, the legislature should appropriate ARPA funds toward projects that promote regional resilient infrastructure, and that encourage cross-jurisdictional collaboration.



## **Recommendation 2: Addressing Transportation Infrastructure Funding Gaps and Investing in Public Transit**

### **Summary Comments & Recommendations**

According to the American Public Transportation Association, every \$1 billion invested in transit will yield almost 50,000 jobs. A Better City's 2018 "[The Transportation Dividend](#)," report showed that the metropolitan Boston region sees a five-time return on every dollar invested in public transportation. As the federal government is finalizing their federal Infrastructure bill, the Commonwealth should use ARPA funds to jump-start efforts that invest in public transit, support additional funding for the Chapter 90 Municipal Road and Bridge Program, and modernize procurement laws to effectively prepare for the upcoming federal infrastructure projects.

A Better City recommends that the legislature consider the following transportation infrastructure and public transit strategies in appropriations of ARPA funding:

- **Invest in Public Transit:** The Commonwealth needs a safe and reliable public transit system to deliver on a number of shared goals, such as meeting the needs of transit dependent riders and communities, relieving traffic congestion, and achieving the Commonwealth's decarbonization and resiliency goals across our transportation system. The next year for commuters will look different than the traditional pre-COVID-19 routine and it is unclear if public transit is ready to manage this new normal. Roadway traffic has reached a level that is only five percent below our pre-pandemic traffic levels. As workers consider what their return to the workplace commute will look like in coming months, now is the time to experiment with new incentives and reduced fares on public transit. With ARPA funds, the legislature could fund a one-month 50% discount on MBTA fares. This would send a strong signal to riders that the MBTA is an affordable, viable post-pandemic commuting option. The BART system in San Francisco offered a similar initiative with 50% off all fares for the entire month of September. A discounted fare pilot would likely only cost the MBTA \$2.5 to \$5 million, depending on the scale of different promotions. The legislature could dedicate some ARPA funding to require the MBTA and regional transit authorities to experiment with temporary fare products and promotions now that continue through the remainder of FY22, which would inform ongoing debates over the price of public transit for riders.
- **Support Additional Funding for the Municipal Road and Bridge Program:** The Chapter 90 Municipal Road and Bridge Program is traditionally funded through the Commonwealth's Capital Budget, but the legislature will often increase funding for Chapter 90 supplemental operating budgets when needed. Based on the needs throughout the Commonwealth to properly maintain municipal road and bridges, this is an ideal time for the legislature to increase the Chapter 90 program. This would deliver a positive impact for all 351 municipalities and would have a meaningful impact in Western Massachusetts. Pairing an increase to Chapter 90 with support for commuter rail promotions at the MBTA would address transportation infrastructure needs in a regionally equitable and comprehensive manner.



- **Modernize Procurement Laws for Federal Funding Projects:** Changes in capital delivery and procurement laws at the MBTA and MassDOT are urgently needed in order to maximize and expedite delivery of infrastructure projects that will receive federal funds. In the past few years, Governor Baker has proposed a number of changes to modernize procurement laws, such as allowing “Design Build Finance Operate Maintain” rules, “Design-Build” procurements for any sized construction project, “A+B bidding,” and Public-Private-Partnerships (P3s) for complex transportation projects. These ideas should be considered for expediting federally funded infrastructure projects with ARPA funds. This is exactly the approach the legislature took in 2009 to prepare for the Obama Administration stimulus program, under *An Act Mobilizing Economic Recovery in the Commonwealth* (Chapter 30 of the Acts of 2009), and it is an approach that is needed again in 2021. Expanding procurement to allow for “A+B bidding” is particularly compelling because it can enable faster delivery of infrastructure projects that are urgently needed to meet our mobility, equity, and climate goals. “A+B bidding” allows the state to evaluate construction bids based on the “Time + Cost” to complete project, as opposed to just the cost. “A+B bidding” is used frequently throughout the nation, and was allowed here in Massachusetts because of Section 15 in Chapter 30 of the Acts of 2009. Finally, expanding and modernizing procurement rules in Massachusetts would show the federal government that we are capable of delivering on major infrastructure projects in Massachusetts. A Better City recently released a report titled [“Ready To Move in Massachusetts, A Blueprint for Delivering Major Transportation Projects Through The Biden Infrastructure Plan”](#) that further describes the need to modernize our procurement laws, so that Massachusetts can capitalize on federal funding opportunities that could mean billions of additional federal dollars coming to the Commonwealth.



### **Recommendation 3: New Incentives for the Future of Work**

#### **Summary Comments & Recommendations**

A Better City's comments in this section are specific to strategies within transportation demand management (TDM), in particular considering how to pursue TDM strategies in a hybrid workplace model. The following suggestions consider how to pursue regional broadband connectivity as a TDM strategy for long-term remote work, how increased bike share incentives can promote public health and provide commuters with more options for accessible and safe multi-modal transit, and how connecting the remaining pieces of the Emerald Network can address climate and green infrastructure needs, while also providing green space access to our most vulnerable environmental justice communities.

A Better City recommends that the legislature consider the following TDM strategies in appropriations of ARPA funding:

- **Invest in Broadband Connectivity as a TDM Strategy:** With so many organizations moving toward hybrid workplaces as they recover from the COVID-19 pandemic, many employees are working remotely part-time, or, in some cases, full-time moving forward. Enabling and empowering workers to work from home and telecommute long-term can be a powerful TDM strategy to lessen demand on our public transit and roadways. With congestion approaching 2019 levels in Boston even before many workplaces have returned to their offices, investing in effective broadband connectivity now can be a key strategy in taking cars off the road, reducing congestion and associated greenhouse gas emissions, and would also put less demand on the MBTA and commuter rail. Additionally, investing in broadband connectivity with a focus on gateway cities and areas in central and western MA that have less accessibility to stable Wi-Fi would also help to enhance regional equity. Greater broadband connectivity in Wi-Fi poor zones could help to address current disparities that impact some communities' ability to have children safely attending school remotely, would help communications in our emergency responses and therefore enhance social resilience in extreme weather events, and would help to unlock job opportunities for remote work as more and more companies are hiring partially or fully remote positions.
- **Invest in Bike Share Programs to Promote Alternative Modes of Transportation:** As our communities have faced continuing uncertainty and ongoing adjustments to sheltering, working, and remote learning in place during the COVID-19 pandemic, disparities in access to mobility, green space, and recreational opportunities continue to have long-term impacts on communities' mental health, physical health, and overall social resilience. Investing ARPA funds in expanding bike share usage and accessibility across municipalities, particularly as more and more employees are considering what their return-to-work commute may look like, could be a key TDM strategy to help increase access to public transit, to outdoor and recreational opportunities, and to increase connectivity and mobility. For example, an estimated \$45 million of ARPA funds could double the size of the BlueBike network from 350 stations to 700 stations and operate them for five years. For around \$78 million, the BlueBike program could expand to



1,000 stations plus five years of operating costs. Particularly considering that it took seven years for bike share infrastructure to reach southern parts of Dorchester and Mattapan, and that many of our environmental justice communities still have disproportionately low access to bike share opportunities, this one-time influx of funds to invest in our bike share programs could be transformative in encouraging alternative, clean, and active modes of transportation, while broader public transit system investments may take years to actualize. The same low-cost, high-impact opportunities exist with ValleyBike Share, which operates shared, electric-assist bicycles in Springfield, Holyoke, Northampton, Amherst, and several other communities in the Pioneer Valley.

- **Coordinate ARPA Investments Across Municipalities to Promote Safe, Accessible Commuting Corridors that also Double as Climate Resilient Green Infrastructure Projects (Case study: Emerald Network):** A Better City encourages the legislature to coordinate with MassDOT and municipalities to invest in developing the infrastructure needed for commuters to safely choose active modes of transportation, including cycling. A 2020 A Better City survey, "[Anticipating Post-Pandemic Commute Trends in Metro-Boston](#)," showed that two thirds of respondents live 10 miles or less from their office, and in a [re-run of the same survey in 2021](#), that number grew to 73%. Building off of Boston's legacy with the Emerald Necklace and the Muddy River being the nation's first green infrastructure project, ARPA funds could be invested into the Emerald Network super commuting corridor to help complete a 200+ mile network of tree-lined, shared-use paths that would create a connected system of open space, transit, and access to jobs in our region. With immediate ARPA investment, the completion of the Emerald Network could be transformative for enhancing equitable access to green and open space, increasing mobility, and enhancing Boston's competitiveness in the global economy. Additionally, the use of ARPA funds to complete the Emerald Network would also greatly enhance climate resiliency, with green infrastructure projects providing key ecosystem services of extreme heat reduction with tree-lined corridors, as well storm water retention, by helping to manage inland flooding during extreme weather events and preventing much of the damage associated with runoff and flash flooding. Finally, completion of the Emerald Network would help to improve equitable access to green and open space by connecting environmental justice communities like those surrounding the Neponset River to Franklin Park and other green spaces in Greater Boston, with a contiguous green multi-use corridor. Now more than ever, we need to invest in the future of Boston that can enhance mobility, equitable access to green space and alternative modes of transportation, recreational opportunities, and climate resiliency.